



# **SALES LEADERS' BUSINESS PREPAREDNESS SURVEY**

How 400+ sales leaders worldwide are responding with positive action



**US**





# Introduction

The global spread of COVID-19 has been swift and devastating. A COVID-19 response study fielded last month by Freshworks finds strong negative impacts for sales leaders and their organizations around the globe, but also an emerging — much more positive — story of:



**Flexibility and  
rapid adaptation**



**Strengthening  
customer relationships**



**Optimizing CRM/analytics and  
other technology usage**



**Training & development to  
augment sales capabilities**



**Information, process  
and strategy improvement**



**Enhanced digitalization and  
automation of sales workflows**

Complete study results are presented here. We hope you find the report both informative and helpful in fine tuning and evolving your own COVID-19 responses.

*Sincerely,*

*The Freshworks Team*



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## THE BAD NEWS

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PLUMMET**

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ARE NOW CONSIDERED AT RISK**

**MORE THAN HALF POSTPONE  
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**DECISION MAKERS BECOME  
LESS ACCESSIBLE**



## THE GOOD NEWS

**STRENGTHEN CUSTOMER  
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**CLEAN UP CRM AND DIVE  
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**RAMP UP TRAINING  
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**REENGINEER/IMPROVE  
SALES PROCESSES**

**IMPROVE GO-TO-MARKET  
STRATEGY**

**REDEFINE BUYER-SELLER  
INTERACTIONS**

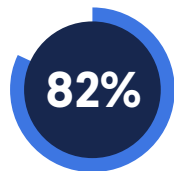


# Revenue forecasts plummet 01

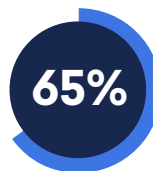
Nearly 7 in 10 (67%) of sales leaders worldwide expect COVID-19 to negatively affect 2020 enterprise revenues.

US-based sales leaders are more pessimistic than the global average with more than 8 in 10 (82%) predicting revenue declines. Within that group, more than two-thirds (65%) rate the negative impact from COVID-19 as either medium or high, while the remaining one-third sees only a low-negative impact.

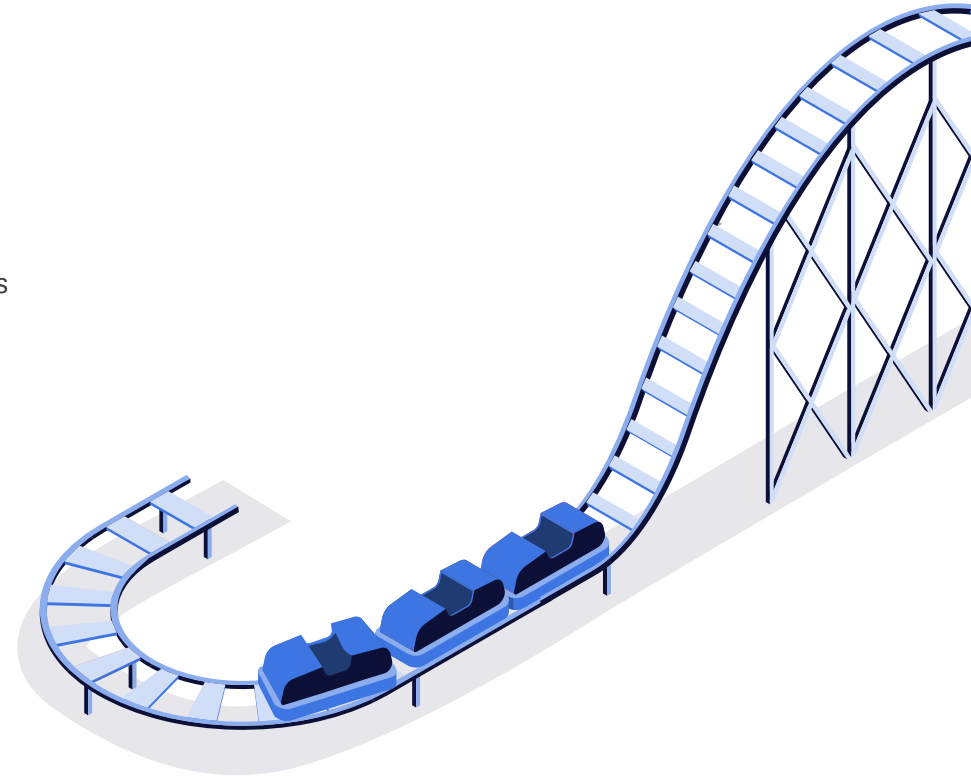
Sales leaders in such EU-based countries as Germany, Belgium, and the Netherlands, where government leaders are more focused on coordinated testing and contact tracing, are somewhat more optimistic than their US-based peers with 68% (versus 82%) predicting COVID-19-related revenue declines for this year.



Percent of US-based sales leaders who believe COVID-19 will have a negative impact on 2020 revenues



Percent within that group who believe the negative revenue impact from COVID-19 will be “medium” or “high”







# Consumer demand shuts down 02

Nearly half (45%) of sales leaders in IT companies expect revenues to improve due to COVID-19 as business entities across the globe scramble to setup and support remote work arrangements and many companies use forced downtime to pursue process improvements that involve investments in automation, AI, and other technologies. US federal fiscal and monetary stimulus measures appear, at least for the short-term, to be shoring up BFSI firms by helping consumers meet outstanding mortgage, auto loan, and credit-card debt obligations. That could shift moving forward as unemployment claims continue to rise and additional stimulus remains uncertain. There is also growing evidence that healthcare enterprises face growing trouble ahead as treating COVID-19 consumes resources that would otherwise be focused on elective procedures (which generate the most cash). Also, as healthcare systems continue to struggle with sourcing much-needed personal protective equipment (PPE), they are likely to be placing on hold investments in new equipment, construction, and so forth.

Even with consumers shifting to ecommerce for goods purchases, breaking global supply chains, soaring unemployment — which limits spending to necessities — proliferating labor/strike actions, and virus outbreaks amongst workers in these industries all pose serious headwinds for revenue forecasts.

**Hardest hit industry verticals are ones that rely heavily on consumer demand for goods and services, according to the study. Industries predicting decline include:**



**Manufacturing**  
(74%)



**Transportation  
& logistics**  
(72%)



**Construction  
& real estate**  
(69%)



**Travel  
& Tourism**  
(68%)

**Industry verticals feeling somewhat less impact  
(at least, so far) include:**



**BFSI**  
(58%)



**Healthcare**  
(46%)



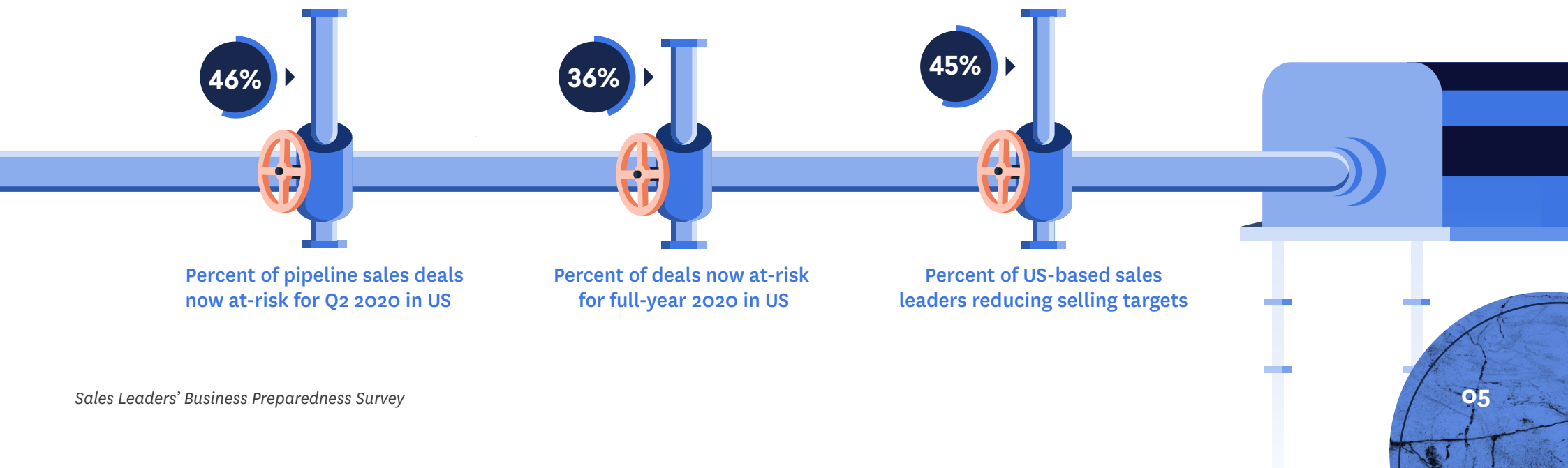
**Information  
technology**  
(48%)



# Nearly half of pipeline deals are now considered 'at risk'

Sales leaders worldwide estimate that some 43% of pipeline deals predicted to close in Q2 2020 may now be at risk. Looking out to the end of 2020, the global sentiment is that 35% of deals in progress could be at risk of turning cold. US-based sales leaders are slightly more pessimistic for Q2, estimating that 46% of deals, on average, are now at risk. Their counterparts in the EU are right in line with the global average at 43%. For 2020 all told, both US and EU-based sales leaders think roughly 35%-36% of pipeline deals could be at risk.

As a consequence, nearly half (45%) of US sales leaders have reduced selling targets for their teams. The corresponding figure for EU sales leaders reducing sales targets is 61%, which is somewhat surprising as COVID-19 infection curves in the EU countries surveyed are notably lower and flatter than in the US. Interestingly, few sales leaders seem to be strongly emphasizing a sales pipeline focus. Asked to rank guidance to sales teams at this time, only 15% among both the global and EU-based survey pools rank focus on blocked/stuck opportunities in the pipeline at number one. In the US, meantime, only 6% rank this as top guidance they are providing to sales teams.



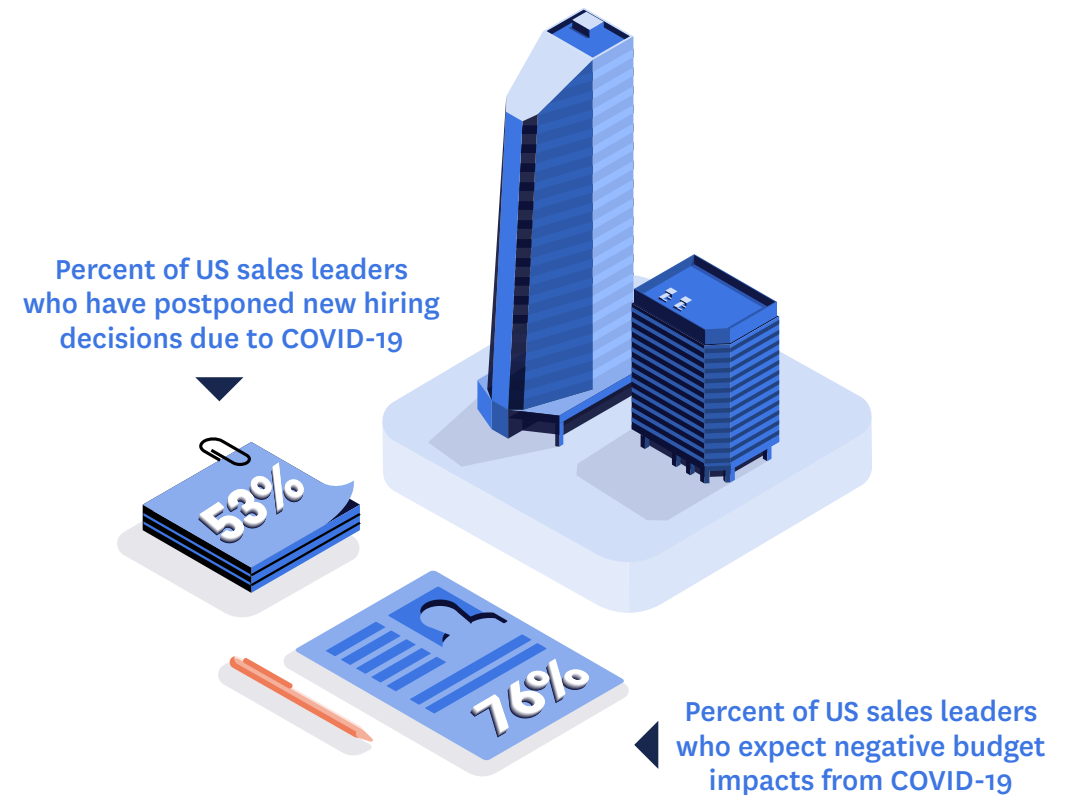


# More than half postpone new hires

Weekly headlines in the US are full of soaring unemployment claims, but, for the time being at least, those trends appear to be more confined to retail stores, restaurants, gyms, travel/hospitality, and other types of businesses that have been most directly affected by forced shutdowns and shelter-in-place orders.

Where white collar sales teams are concerned, the emphasis seems to be more on freezes than furloughs. More than half (53%) of US-based sales leaders say they have postponed new hiring decisions until the economic fallout from COVID-19 becomes clearer. Small and mid-size firms are slightly more likely than larger companies to be freezing hiring activity within their sales functions.

With that said, there is plenty of reason to fear that furloughs may become necessary for white-collar sales teams, especially once the effects of fiscal and monetary stimulus work their way through the economy and financial markets. Nearly two-thirds (63%) of sales leaders worldwide expect negative budget impacts from the COVID-19 crisis. In the US, that figure rises to greater than three-quarters (76%), making it difficult to imagine that job totals will not eventually be affected.





# 05 Decision makers become less accessible



64%

Percent of US sales leaders who say COVID-19 has made it more difficult to access key spend decision makers

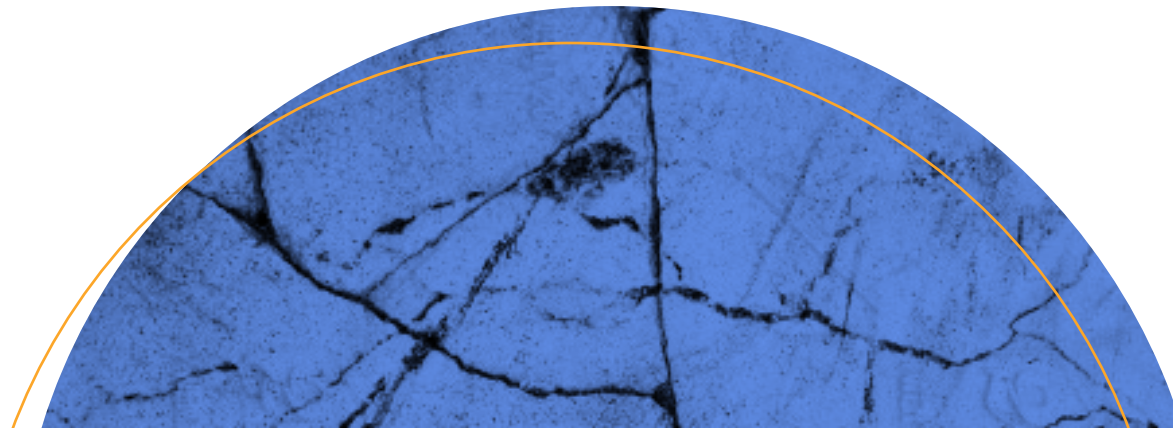
Some 68% of sales leaders worldwide say the COVID-19 pandemic has made it more difficult to access key decision makers for selling and closing deals.

The figure is slightly lower at 64% in the US and slightly higher at 70% for the EU. This might be, at least in part, a function of growing pains as corporate enterprises have been forced to shift suddenly from office to work-from-home (WFH) setups and lockdowns/shelter-in-place orders are preventing field sales reps from meeting in-person with clients.

But, with forecasters now calling for a plunge of more than 30% in Q2 US macroeconomic growth, it is quite likely those unavailable prospects are simply laser focused on rescuing their own company's bottom lines. There is also plenty of evidence both in mainstream and social media that business professionals are struggling mightily to remain productive while coping in lockdown with demands of homeschooling and entertaining children, a lack of private/quiet workspaces, virtual-meeting fatigue, and simply providing for their families in a climate of unprecedented fear and anxiety.



Now, for the  
**good news!**





# Strengthen customer relationships 06



92%

Percent of US sales leaders  
guiding their teams to focus on  
building deeper relationships  
with existing customers

Asked how they are guiding sales teams to maximize ROI at this time, the number-one ranked response among sales leaders worldwide is to focus on service implementation and achieving key milestones for existing customers, and that trend holds for both the US and EU. Nearly nine in 10 (87%) of sales leaders worldwide say they are guiding sales teams to focus on building deeper relationships with existing customers. The US figure is even higher at 92%, while the EU number is somewhat lower at 83%.

In a similar vein, sales leaders worldwide also rank training clients to adapt to new business scenarios at number two in terms of ROI guidance to reps,

though sales execs in both the US and EU are pushing more prospecting as their number two-ranked guidance (see next page for more details). Nearly half (47%) of US-based sales leaders say they are asking reps to engage more with current customers; that is five points higher than the global average (42%) and 10 points higher than the EU figure of 37%.

Yet another signifier that sales teams are ramping up focus on customer experience is that 35% of sales leaders report designing and deploying new contextual offers to match buyers' needs. Corresponding figures are slightly lower for both the EU (32%) and US (29%).

## Recommended actions:

- Utilize CRM analytics to identify preferred/highest-value customers
- Prioritize preferred and high-value customers for well-being/check-in types of calls (with zero selling)
- Ask preferred customers to describe emerging and evolving pain points related to COVID-19 and related economic fallout (see more on page 13/Go to Market)
- Collaborate with marketing to create supportive content (COVID-19 related or otherwise) for use with both automated drip campaigns and personal outreach



# Clean up CRM + and dive deep into analytics

Cleaning up CRM and glean insights with analytics are two other ways many sales leaders are wisely choosing to use the downtime caused by COVID-19. On a global scale, roughly seven in 10 (73%) are encouraging their reps to dig deeper into CRM analytics and to clean up records and files at this time. That number drops to six in 10 for the US and edges up to 74% in the EU.

## Recommended actions:



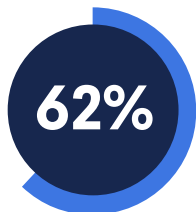
**Add contacts to various digital  
/content drip marketing campaigns**  
*(and/or revise which campaigns  
people are associated with)*



**Reach out via email or SMS with personal  
'check-in' notes, especially in cases where  
CRM notes suggest clients may be  
socially isolated at present**



**Mine external databases  
or use personal outreach to  
fill in missing data fields**  
*(such as LinkedIn)*



**Percent of US sales leaders using COVID-19-forced downtime to clean  
up their CRM records and to optimize their use of CRM analytics**



# Ramp up training & development 08

There is no avoiding the rapid deterioration in business and selling prospects due to COVID-19, but the Freshworks study finds plenty of evidence that sales leaders are making the best of a bad situation and using forced downtime to focus on long-term improvement initiatives. Two-thirds of sales leaders (66%) worldwide say they are using this time of slower sales activity to focus long-term initiatives; in the US, the number drops to just over half (53%), while in Europe it is slightly higher at 69%.

Some 67% of sales leaders worldwide say the number one strategy for keeping sales forces productive and engaged at this time has been to increase their focus on sales enablement & training. In the US, the figure is a bit lower at 59%, while 64% of EU-based sales leaders are doing the same.

A potential roadblock for some in this area may be a lack of prior digitalization in terms of how training is delivered. Half of sales leaders worldwide say they are currently engaged with shifting in-person training over to virtual/digital formats. The figure is slightly higher at 52% in the US and notably lower at 43% in the EU, suggesting Europe-based companies may be ahead of the general curve in terms of digitalizing training for sales personnel.

## Recommended actions:

- Setup direct mentoring relationships between more and less experienced sales personnel; ask mentors to emphasize high-level, consultative sales techniques
- Create incentives for product/service subject matter experts/ reps to either create or curate and share helpful content with less knowledgeable reps
- Identify and recruit CRM power users to demonstrate both best practices and how to best utilize advanced CRM functionality



Percent of US sales leaders using COVID-19 downtime to shore up sales training and development





# Re-engineer/improve sales processes

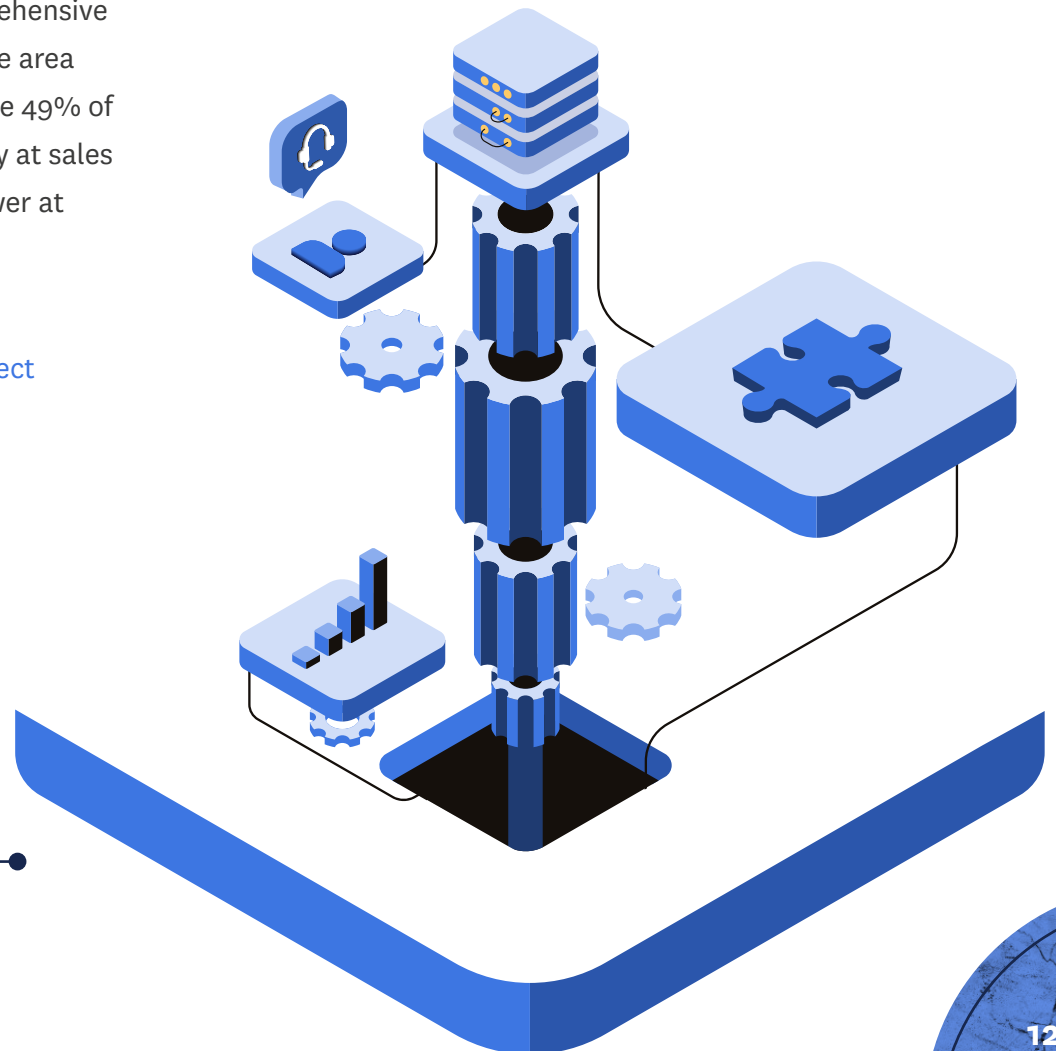
While sales/product training and development is the number one area of long-term focus among sales leaders at present, a close second is undertaking comprehensive review and re-engineering of standard sales processes. This is, however, one area where US-based sales leaders differ significantly from the global trend; while 49% of all sales leaders worldwide and 50% in the EU say they are looking currently at sales process review and re-engineering, the corresponding US figure is much lower at 29%.

## Recommended actions:

[Click here for Freshworks' recently released step-by-step guide on this subject](#)

29%

Percent of US sales leaders using COVID-19 downtime to re-engineer/improve sales processes





# Improve go-to-market strategy <sup>10</sup>

4 in 10 global sales leaders say they are using forced downtime from COVID-19 to revisit go-to-market strategies – that is, re-identifying customer pain points and adjusting standard sales and marketing messaging accordingly. The EU is on par with the global figure (at 39%); in the US, this figure drops to one in four (26%). Relatedly, 32% of global sales leaders say they are changing account plans, 32% are making changes to product discounting policies, and 29% are shifting product scope.

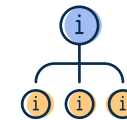
## Recommended actions:



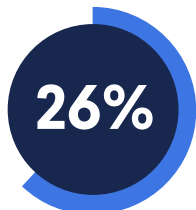
Set up direct client research into new and evolving pain points that can be promoted via CMS-based email or SMS campaigns  
*(using Survey Monkey or similar tools)*



Add specific pain-point questions to customer check-in call scripts



Ensure that information gleaned from the above activities is properly aggregated, analyzed, packaged, and communicated to both marketing and new product/service development personnel



Percent of US sales leaders using COVID-19 downtime to revisit go-to-market strategies



# Re-define buyer-seller interactions<sup>11</sup>

It may be too soon to draw firm conclusions on this, but the Freshworks COVID-19 impact study finds evidence that the present move to more digital/virtual interactions between sellers and buyers could be long-lasting (even permanent). A few relevant data points:

PERCENT OF SALES LEADERS WHO:	GLOBAL	US	EU
Say their sales personnel are ready for a switch to remote selling	70%	73%	68%
Are encouraging sales personnel to meet virtually with clients versus in-person	68%	71%	64%
Are canceling or postponing major in-person customer meetings	65%	77%	61%
Believe their customers are ready for a switch to remote seller-buyer interactions	64%	65%	61%
Are reallocating marketing spend to emphasize more digital types of communications with customers	37%	24%	36%



### Recommended actions:

- Consider replacing in-person customer events with webinars/virtual conferences
- Add training around best practices, professionalism, and etiquette for small, medium, and large group virtual meetings as well as digital presentation skills
- Budget for, equip, and assist sales personnel with enhancing professionalism of home workspaces (for example, increasing WIFI bandwidth, green screens/professional meeting backgrounds, high-quality microphones and lighting for video conferencing, access to applications for handling large file transfers to and from clients, and so forth)





# Conserve cash with more digital/remote and automated sales workflows

Even before COVID-19, there was a move afoot among global corporations to conserve cash by allowing — even encouraging — more remote work setups and by investing in process automation solutions. Supporting work from home (WFH) not only liberates substantial cash from office real estate, maintenance, and utilities, it is often preferred by younger generations and can improve employee morale, retention, and productivity by eliminating long/traffic-heavy commutes and adding flexibility for people coping with child/eldercare and other heavy personal obligations. A few relevant data points from the Freshworks COVID-19 impact study:

PERCENT OF SALES LEADERS WHO ARE:	GLOBAL	US	EU
Asking sales teams to work from home	75%	77%	68%
Using regular virtual meetings to keep their sales forces engaged and productive	88%	83%	88%
Cancelling or postponing major in-person company conferences, training events	67%	71%	63%

## Recommended actions:

- Create incentives that target full adoption and consistent/advanced use of CRM and other systems, which enable consistent interactions with and monitoring of remote workforces
- Add training on how to make optimal use of automation capabilities built into CRM, digital marketing, and other tools already available to sales teams

## About Freshworks

Freshworks is a leading cloud-based customer engagement company, offering a suite of products that is transforming the way world-class organizations collaborate. Our products are used by over 175,000 organizations across the world including NHS, Honda, Rightmove, Hugo Boss, Citizens Advice, Toshiba, and Cisco. Freshworks has offices in US, India, UK, Australia, and Germany.

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